

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD*
CHARLES T. KAPPLER
JOHN H. DOYLE
JAMES C. MARTIN, JR.*

*ALSO ADMITTED IN NEW YORK
*ALSO ADMITTED IN MARYLAND

LAW OFFICES
ALVORD AND ALVORD

200 WORLD CENTER BUILDING

918 SIXTEENTH STREET, N.W.

WASHINGTON, D.C.

20006-2973

(202) 393-2266

OCT 2 10 22 AM '91
MOTOR OPERATING UNIT
OFFICE OF COUNSEL
URBAN A. LESTER
TELEPHONE 440367 A AND A
TELEFAX
(202) 393-2156

1-275A003

October 2, 1991

RECORDATION NO. 17549
FILED 1425

Mr. Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

OCT 2 1991 -10 30 AM

INTERSTATE COMMERCE COMMISSION

Dear Mr. Strickland:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two (2) fully executed and acknowledged copies of a Loan and Security Agreement dated as of September 30, 1991, a primary document as defined in the Commission's Rules for the Recordation of Documents under 49 C.F.R. Section 1177.

The names and addresses of the parties to the enclosed document are:

Secured Party: Pitney Bowes Credit Corporation
201 Merritt Seven
Norwalk, Connecticut 06856

Debtor: Illinois Central Railroad Company
233 North Michigan Avenue
Chicago, Illinois 60601

A description of the railroad equipment covered by the enclosed document is set forth in Schedule A attached hereto and made a part hereof.

Also enclosed is a check in the amount of \$16 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return a stamped copy of the enclosed document to Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth Street, N.W., Washington, D.C. 20006.

Charles T. Kappler
Charles T. Kappler

Mr. Sidney L. Strickland, Jr.
October 2, 1991
Page Two

A short summary of the enclosed primary document to appear in the Commission's Index is:

Loan and Security Agreement dated as of September 30, 1991 between Pitney Bowes Credit Corporation, Secured Party, and Illinois Central Railroad Company, Debtor, covering 7 100-ton 4750 cubic foot capacity covered hopper freight cars and 192 70-ton 5791 cubic foot capacity woodchip hopper freight cars all bearing ICG reporting marks and road numbers.

Very truly yours,


Charles T. Kappler

RWA/bg
Enclosures

SCHEDULE A

<u>Qty.</u>	<u>Model/Mfgs.</u>	<u>Description</u>	<u>Serial No.</u>	<u>Cost Per Unit</u>
7	IOG	100-ton 4750 cubic foot capacity covered hopper freight cars	IOG 767193 IOG 767194 IOG 767195 IOG 767196 IOG 767197 IOG 767198 IOG 767199	\$20,800.00
192	IOG	70-ton 5791 cubic foot capacity woodchip hopper freight cars	IOG 867400 IOG 867401 IOG 867402 IOG 867403 IOG 867404 IOG 867405 IOG 867406 IOG 867407 IOG 867408 IOG 867409 IOG 867410 IOG 867411 IOG 867412 IOG 867413 IOG 867414 IOG 867415 IOG 867417 IOG 867418 IOG 867419 IOG 867420 IOG 867421 IOG 867422 IOG 867423 IOG 867424 IOG 867425 IOG 867426 IOG 867427 IOG 867428 IOG 867429 IOG 867430 IOG 867431 IOG 867432 IOG 867433 IOG 867434 IOG 867436 IOG 867437	\$14,800.00

Serial numbers continued on page 2

SCHEDULE A

Page 2

<u>Qty.</u>	<u>Model/Mfgs.</u>	<u>Description</u>	<u>Serial No.</u>	<u>Cost Per Unit</u>
			IOG 867438	
			IOG 867439	
			IOG 867440	
			IOG 867441	
			IOG 867442	
			IOG 867443	
			IOG 867444	
			IOG 867445	
			IOG 867446	
			IOG 867447	
			IOG 867448	
			IOG 867449	
			IOG 867450	
			IOG 867451	
			IOG 867452	
			IOG 867453	
			IOG 867454	
			IOG 867455	
			IOG 867456	
			IOG 867458	
			IOG 867459	
			IOG 867460	
			IOG 867461	
			IOG 867462	
			IOG 867463	
			IOG 867464	
			IOG 867465	
			IOG 867466	
			IOG 867467	
			IOG 867468	
			IOG 867469	
			IOG 867470	
			IOG 867471	
			IOG 867472	
			IOG 867473	
			IOG 867474	
			IOG 867475	
			IOG 867476	
			IOG 867477	
			IOG 867478	
			IOG 867479	
			IOG 867480	
			IOG 867481	
			IOG 867482	
			IOG 867484	
			IOG 867485	
			IOG 867486	

Serial numbers continued on page 3

SCHEDULE A

Page 3

<u>Qty.</u>	<u>Model/Mfgs.</u>	<u>Description</u>	<u>Serial No.</u>	<u>Cost Per Unit</u>
			ICG 867487	
			ICG 867488	
			ICG 867489	
			ICG 867490	
			ICG 867491	
			ICG 867492	
			ICG 867493	
			ICG 867494	
			ICG 867495	
			ICG 867496	
			ICG 867497	
			ICG 867498	
			ICG 867500	
			ICG 867501	
			ICG 867502	
			ICG 867503	
			ICG 867504	
			ICG 867505	
			ICG 867506	
			ICG 867507	
			ICG 867508	
			ICG 867510	
			ICG 867511	
			ICG 867512	
			ICG 867513	
			ICG 867514	
			ICG 867515	
			ICG 867517	
			ICG 867518	
			ICG 867519	
			ICG 867520	
			ICG 867521	
			ICG 867522	
			ICG 867523	
			ICG 867524	
			ICG 867525	
			ICG 867526	
			ICG 867527	
			ICG 867528	
			ICG 867529	
			ICG 867530	
			ICG 867531	
			ICG 867532	
			ICG 867533	
			ICG 867534	
			ICG 867535	
			ICG 867536	

Serial numbers continued on page 4

SCHEDULE A

Page 4

<u>Qty.</u>	<u>Model/Mfgs.</u>	<u>Description</u>	<u>Serial No.</u>	<u>Cost Per Unit</u>
			IOG 867537	
			IOG 867538	
			IOG 867539	
			IOG 867540	
			IOG 867541	
			IOG 867542	
			IOG 867543	
			IOG 867544	
			IOG 867545	
			IOG 867546	
			IOG 867547	
			IOG 867548	
			IOG 867549	
			IOG 867550	
			IOG 867551	
			IOG 867552	
			IOG 867553	
			IOG 867554	
			IOG 867555	
			IOG 867556	
			IOG 867557	
			IOG 867558	
			IOG 867559	
			IOG 867560	
			IOG 867561	
			IOG 867562	
			IOG 867563	
			IOG 867564	
			IOG 867565	
			IOG 867567	
			IOG 867568	
			IOG 867569	
			IOG 867570	
			IOG 867571	
			IOG 867572	
			IOG 867573	
			IOG 867574	
			IOG 867575	
			IOG 867576	
			IOG 867577	
			IOG 867578	
			IOG 867579	
			IOG 867580	
			IOG 867581	
			IOG 867582	
			IOG 867583	
			IOG 867584	

Serial numbers continued on page 5

SCHEDULE A

Page 5

<u>Qty.</u>	<u>Model/Mfgs.</u>	<u>Description</u>	<u>Serial No.</u>	<u>Cost Per Unit</u>
			ICG 867585	
			ICG 867586	
			ICG 867587	
			ICG 867588	
			ICG 867589	
			ICG 867590	
			ICG 867591	
			ICG 867592	
			ICG 867593	
			ICG 867594	
			ICG 867595	
			ICG 867596	
			ICG 867597	
			ICG 867598	
			ICG 867599	

Interstate Commerce Commission
Washington, D.C. 20423

10/2/91

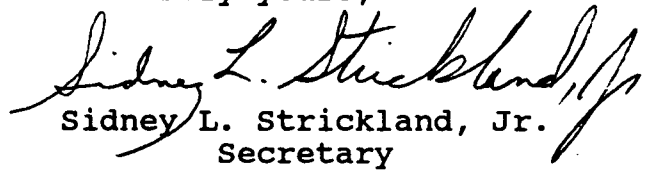
OFFICE OF THE SECRETARY

Charles T. Kappler
Alvord & Alvord
918 16th St. N.W.
Washington, D.C. 20006

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 10/2/91 at 10:30am, and assigned recordation number(s). 17548

Sincerely yours,


Sidney L. Strickland, Jr.
Secretary

17546
RECORDED - INDEXED

OCT 2 1991 - 10 30 AM

INTERSTATE COMMERCE COMMISSION

LOAN AND SECURITY AGREEMENT

Dated as of *September 30, 1991*

Between Pitney Bowes Credit Corporation

SECURED PARTY

and

Illinois Central Railroad Company

DEBTOR

Filed and Recorded with the
Interstate Commerce Commission
on _____, at
_____ and given
Recordation No. _____

LOAN AND SECURITY AGREEMENT

LOAN AND SECURITY AGREEMENT, dated as of Sept. 30, 1991 between ILLINOIS CENTRAL RAILROAD COMPANY, a Delaware corporation ("Debtor"), and PITNEY BOWES CREDIT CORPORATION ("PBCC"). In consideration of the mutual agreements contained herein, the parties agree as follows:

SECTION 1. DEFINITIONS

1.1 Defined Terms. As used in this Agreement the following terms shall have the following defined meanings, unless the context otherwise requires (such terms to be equally applicable to both singular and plural forms of the terms defined):

"Agreement, "hereof", "hereto", "hereunder" and words of similar import shall mean this Loan and Security Agreement and each Schedule hereto, as the same may from time to time be amended, modified or supplemented.

"Business Day" shall mean a day other than a Saturday, Sunday or legal holiday under the laws of the State of New York.

"Casualty Prepayment Percentage" shall mean, on the date of the required prepayment of any Note pursuant to Section 2.3(a) of this Agreement, the product obtained by multiplying 10% by a fraction, the numerator of which will be the number of Installment Payment Dates with respect to such Note remaining after such date of prepayment (including the Installment Payment Date, if any, on which such prepayment is made) and the denominator of which shall be the total number of Installment Payment Dates with respect to such Note.

"Closing Date" shall mean each date on which a Loan is made pursuant hereto.

"Code" shall mean the Uniform Commercial Code as from time to time in effect in any applicable jurisdiction.

"Collateral" shall mean the Equipment and the Proceeds thereof.

"Commitment" shall mean the obligation of PBCC to make the Loans in the aggregate principal amount specified in Section 2.1 of this Agreement.

"Cost" shall mean, with respect to any item or Unit of Equipment, the portion of the proceeds of the Loan allocated to that item or Unit of Equipment which amount shall be set forth in the Schedule pertaining to such item or Unit of Equipment.

"Debtor" as defined in the introductory paragraph to this Agreement.

"Default" shall mean any event which with notice, lapse of time, and/or any further condition, event or act would constitute an Event of Default.

"Equipment" shall mean any and all items of equipment, inventory or other items of property which are listed on Schedules hereto, together with all accessories, parts, repairs, replacements, substitutions, attachments, modifications, renewals, additions, improvements, upgrades and accessions of, to or upon such items of equipment, inventory or other property, now or at any time hereafter acquired.

"Event of Default" as defined in Section 7 of this Agreement.

"Event of Loss" shall mean, with respect to any item of Equipment, the actual or constructive loss of such item of Equipment or the use thereof, due to theft, destruction, damage beyond repair or damage from any reason whatsoever, to an extent which makes repair uneconomical, or rendition thereof unfit for normal use, or the condemnation, confiscation or seizure of, or requisition of title to or use of, such item of Equipment by any governmental authority or any other person, whether or not acting under color of governmental authority.

"Installment Payment Date" shall mean, with respect to any Note, each date on which a regular installment of principal and/or interest is due on such Note.

"Late Charge Rate" shall mean a rate equal to the lower of 18% per annum or the highest rate permitted by applicable law.

"Liens" shall mean liens, mortgages, security interests, pledges, title retentions, charges, financing statements or other encumbrances of any kind whatsoever.

"Loan" shall mean each loan made by PBCC pursuant to this Agreement.

"Note" shall mean each promissory note of Debtor evidencing a Loan, as described in Section 2.2 of this Agreement.

"Obligations" shall mean (i) the aggregate unpaid principal amount of, and accrued interest on, the Notes; (ii) all other obligations and liabilities of Debtor, now existing or hereafter incurred, under, arising out of or in connection with this Agreement or any Note; and (iii) any and all other indebtedness and obligations of any kind whatsoever of Debtor to PBCC, whether now existing or hereafter incurred or from time to time reduced and thereafter increased.

"Optional Prepayment Premium" shall mean, on the date of the optional prepayment of any Note pursuant to Section 2.3(b) of this Agreement, an amount equal to (a) three percent (3%) of the original principal amount of said Note if the prepayment occurs within 60 months of the Closing Date of (b) 1% of said Note if the prepayment occurs later than 60 months of the Closing Date.

"PBCC" as defined in the introductory paragraph to this Agreement.

"Proceeds" shall have the meaning assigned to it in the Code, and in any event, shall include, but not be limited to, (i) any and all proceeds of any insurance, indemnity, warranty or guaranty payable to Debtor from time to time with respect to any of the Equipment; (ii) any and all payments (in any form whatsoever) made or due and payable to Debtor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Equipment by any governmental body, authority, bureau or agency or any other person (whether or not acting under color of governmental authority); and (iii) any and all other rents or profits or other amounts from time to time paid or payable in connection with any of the Equipment.

"Schedule" shall mean each Equipment Schedule executed and delivered by Debtor in substantially the form of Exhibit A attached hereto.

"Section 8 Prepayment Percentage" shall mean, on the date of any acceleration of any Note under Section 8, the product obtained by multiplying 10% by a fraction, the numerator of which will be the number of Installment Payment Dates with respect to such Note remaining after such date of acceleration (including the Installment Payment Date, if any, on which such acceleration is effected) and the denominator of which shall be the total number of Installment Payment Dates with respect to such Note.

"Unit of Equipment" shall mean those items of Equipment described on a particular Schedule and financed with the same Loan.

1.2 Accounting Terms. All accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles.

SECTION 2. AMOUNT AND TERMS OF LOAN.

2.1 Commitment. Subject to the terms and conditions of this Agreement, PBCC agrees to make Loans, from time to time, to Debtor in an aggregate principal amount not to exceed \$2,987,200.00. Each Loan shall be in an amount which is not less than \$2,987,200.00. The obligation of PBCC to make Loans hereunder shall terminate on September 30, 1991.

2.2 The Notes.

(a) Each Loan shall be evidenced by a promissory note of Debtor substantially in the form of Exhibit B hereto, with appropriate insertions therein as to amounts and dates. Each Note shall (i) be dated the date on which the Loan evidenced thereby is made; (ii) be for the term specified in such Note; (iii) be stated to mature in one hundred twenty (120) consecutive monthly installments, which installments will be payable on the dates and in the amounts set forth in such Note; and (iv) bear interest from the date thereof on the unpaid principal amount thereof at the rate of 10% per annum until such amount shall become due and payable (whether at the stated maturity thereof, by acceleration or otherwise). Any amount not paid when due under any Note shall bear late charges thereon calculated at the Late Charge Rate from the due date thereof until such amount shall be paid in full.

(b) Each Note shall be identified with the Unit of Equipment financed by the Loan it evidences by reference to the Schedule covering such Unit of Equipment. Such identification of the Notes is for convenience of reference only and is not intended to imply that any Note is collateralized only by the Unit of Equipment identified with it; all Notes being equally secured by all Equipment.

2.3 Prepayment.

(a) In the event that any item of Equipment shall suffer an Event of Loss, Debtor shall make a prepayment on the Note identified with such item of Equipment, within 30 days after the occurrence of such Event of Loss, in an amount determined (i) by multiplying (A) the unpaid principal amount of such Note by (B) a fraction the numerator of which shall be the Cost of the item of Equipment which suffered the Event of Loss and the denominator of which shall be the original principal amount of said Note (the amount obtained by multiplying (i)(A) and (i)(B) hereof shall be herein referred to as the "Prepaid Principal Amount"), (ii) by adding interest accrued, with respect to the Prepaid Principal Amount, to the date of such prepayment and (iii) by adding an amount equal to (A) the applicable Casualty Prepayment Percentage multiplied by (B) the Prepaid Principal Amount. Upon payment in full of any such prepayment amount, and so long as no Default or Event of Default has occurred and is continuing, the item of Equipment subject to such Event of Loss shall be released from the security interest of this Agreement.

(b) So long as no Default or Event of Default shall have occurred and be continuing, Debtor may, upon giving PBCC not less than 30 days prior written notice, prepay any Note, as a whole, on any Installment Payment Date in an amount determined by adding (i) the outstanding principal amount of said Note, plus (ii) interest and any other amounts accrued and owing thereon to the date of such prepayment, plus (iii) the Optional Prepayment Premium.

(c) Except as provided in paragraphs (a) and (b) above, the Notes may not be prepaid in whole or in part.

2.4 Use of Proceeds. The proceeds of each Loan shall be applied by Debtor as a reimbursement for the refinance of bank debt and working capital.

SECTION 3. CONDITIONS OF BORROWING.

3.1 Conditions of Initial Loan. PBCC shall not be required to make the initial Loan hereunder unless on the Closing Date of such Loan:

(a) Certificate of Incumbency of Debtor. PBCC shall have received a certificate of incumbency of Debtor signed by the Secretary or Assistant Secretary of Debtor, which certificate shall certify the names of the officers of Debtor authorized to execute any documents hereunder on behalf of Debtor, together with specimen signatures of such officers.

(b) Resolutions. PBCC shall have received a certified copy of all corporate proceedings of Debtor evidencing that all action required to be taken in connection with the authorization, execution, delivery and performance of this Agreement and the Notes and the transactions contemplated hereby has been duly taken.

(c) Opinion of Debtor's Counsel. PBCC shall have received the written opinion addressed to it of counsel for Debtor satisfactory to PBCC, as to matters contained in Section 4, Subsections 4.1 through 4.7, inclusive, and as to matters contained in Subsection 4.9 with respect to the Equipment listed on the first Schedule to this Agreement, and as to such other matters incident to the transactions contemplated by this Agreement as PBCC may reasonably request.

3.2 Conditions of Each Loan. PBCC shall not be required to make any Loan hereunder (including the initial Loan) unless on the Closing Date of such Loan:

(a) Schedule. Debtor shall have executed and delivered to PBCC a Schedule describing in a manner satisfactory to PBCC the Unit of Equipment to be financed by such Loan.

(b) Note. The Note evidencing such Loan shall have been duly executed and delivered to PBCC.

(c) Equipment Delivery. The Unit of Equipment being financed by such Loan shall have been duly delivered to and accepted by Debtor.

(d) Invoice and Title. If requested by PBCC, PBCC shall have received copies of the invoice or invoices covering the acquisition of the items of Equipment constituting the Unit of Equipment being financed with such Loan together with copies of the bills of sale, if any, conveying such items to Debtor.

(e) Payment of Equipment Cost. PBCC shall be satisfied that the Cost of each item of Equipment constituting the Unit of Equipment being financed by such Loan has been, or concurrently with the making of such Loan will be, fully paid.

(f) Insurance. PBCC shall have received evidence satisfactory to it that the Unit of Equipment being financed by such Loan is insured in accordance with the provisions of this Agreement.

(g) Security Interest. All filings, recordings and other actions deemed necessary or desirable by PBCC in order to establish, protect, preserve and perfect its security interest in the Unit of Equipment being financed by such Loan as a valid perfected first priority security interest shall have been duly effected, including, without limitation, the filing of financing statements and the recordation of landlord and/or mortgagee waivers, all in form and substance satisfactory to PBCC, and all fees, taxes and other charges relating to such filings and recordings shall have been paid by Debtor.

(h) Representations. (i) The representations and warranties contained in this Agreement shall be true and correct in all respects on and as of the date of the making of such Loan with the same effect as if made on and as of such date; and (ii) no Default or Event of Default shall be in existence on the date of the making of such Loan or shall occur as a result of such Loan.

(i) No Material Adverse Change. In the sole judgment of PBCC, there shall have been no material adverse change in the financial condition, business or operations of Debtor from June 30, 1991.

(j) Other Documents and Information. PBCC shall have received from Debtor, in form and substance satisfactory to PBCC, such other documents and information as PBCC shall reasonably request.

(k) Legal Matters. All legal matters with respect to and all legal documents executed in connection with the transactions contemplated by this Agreement shall be satisfactory to counsel for PBCC.

SECTION 4. REPRESENTATIONS AND WARRANTIES.

In order to induce PBCC to enter into this Agreement and to make each Loan, Debtor represents and warrants to PBCC that:

4.1 Organization. Debtor is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, has the necessary authority and power to own the Equipment and its other assets and to transact the business in which it is engaged, and is duly qualified to do business in the jurisdiction where the Equipment is located and in each other jurisdiction in which the conduct of its business or the ownership of its assets requires such qualification.

4.2 Power and Authority. Debtor has full power, authority and legal right to execute and deliver this Agreement and the Notes, to perform its obligations hereunder and thereunder, to borrow hereunder and to grant the security interest created by this Agreement.

4.3 Consents and Permits. No consent of any other party (including any stockholders, trustees or holders of indebtedness), and no consent, license, approval or authorization of, exemption by, or registration or declaration with, any governmental body, authority, bureau or agency is required in connection with the execution, delivery or performance by Debtor of this Agreement or the Notes, or the validity or enforceability of this Agreement or the Notes.

4.4 No Legal Bar. The execution, delivery and performance by Debtor of this Agreement and the Notes do not and will not violate any provision of any applicable law or regulation or of any judgment, award, order, writ or decree of any court or governmental instrumentality, will not violate any provision of the charter or by-laws of Debtor and will not violate any provision of or cause a default under any mortgage, indenture, contract, agreement or other undertaking to which Debtor is a party or which purports to be binding upon Debtor or upon any of its assets, and will not result in the creation or imposition of any Lien on any of the assets of Debtor other than the security interest intended to be created hereby.

4.5 No Defaults. Debtor is not in default, and no event or condition exists which after the giving of notice or lapse of time or both would constitute an event of default, under any mortgage, indenture, contract, agreement, judgment or other undertaking to which Debtor is a party or which purports to be binding upon Debtor or upon any of its assets, except for any such default, event or condition which, individually or in the aggregate, would not affect Debtor's ability to perform its obligations under this Agreement or any such mortgage, indenture, contract, agreement, judgment or other undertaking.

4.6 Enforceability. This Agreement has been duly authorized, executed and delivered by Debtor and constitutes a legal, valid and binding obligation of Debtor enforceable in accordance with its terms. When executed and delivered, each Note shall have been duly authorized, executed and delivered by Debtor and shall constitute a legal, valid and binding obligation of Debtor enforceable in accordance with its terms.

4.7 No Litigation. There is no action, suit, investigation or proceeding (whether or not purportedly on behalf of Debtor) pending or threatened against or affecting Debtor or any of its assets (a) which involves any of the Equipment or any of the transactions contemplated by this Agreement; or (b) which, if adversely determined, could have an adverse effect upon the transactions contemplated by this Agreement or a material adverse effect on the business, operations or financial condition of Debtor.

4.8 Title to Equipment. On each Closing Date Debtor shall have good and marketable title to the Unit of Equipment being financed on such Closing Date, subject to no Liens except the security interest created hereby in favor of PBCC.

4.9 PBCC's Security Interest. On each Closing Date PBCC shall have a legal, valid and continuing first priority security interest in the Unit of Equipment being financed on such Date, prior and superior to all other Liens, and all filings, recordings or other actions necessary or desirable in order to establish, protect and perfect such security interest in favor of PBCC as a perfected first priority security interest in such Equipment will have been duly effected, and all taxes, fees and other charges in connection therewith shall have been duly paid.

4.10 Financial Condition of Debtor. The consolidated financial statements of Debtor which have been heretofore delivered to PBCC, are complete and correct, have been prepared in accordance with generally accepted accounting principles consistently applied, and present fairly the financial position of Debtor as at the date thereof and the results of its operations for the period ended on said date, and there has been no material adverse change in the financial condition, business or operations of Debtor since said date.

4.11 Taxes. Debtor has filed all Federal, state and local income tax returns that are required to be filed, and has paid all taxes as shown on said returns and all assessments received by it to the extent that such taxes and assessments have become due, and Debtor does not have any knowledge of any actual or proposed deficiency or additional assessment in connection therewith. The charges, accruals and reserves on the books of Debtor in respect of Federal, state and local taxes for all open years, and for the current fiscal year, make adequate provision for all unpaid tax liabilities for such periods.

SECTION 5. COVENANTS.

Debtor covenants and agrees that from and after the date hereof and so long as the Commitment or any of the Notes remain outstanding:

5.1 Notices. Debtor will promptly give written notice to PBCC of (i) the occurrence of any Default or Event of Default; (ii) the occurrence of any Event of Loss; (iii) the commencement or threat of any material litigation or proceedings affecting Debtor or the Equipment; and (iv) any dispute between Debtor and any governmental regulatory body or other party that involves any of the Equipment or that might materially interfere with the normal business operations of Debtor.

5.2 Laws; Obligations; Operations. Debtor will (i) duly observe and conform to all requirements of any governmental authorities relating to the conduct of its business or to its properties or assets; (ii) maintain its existence as a legal entity and obtain and keep in full force and effect all rights, franchises, licenses and permits which are necessary to the proper conduct of its business; (iii) obtain or cause to be obtained as promptly as possible any governmental, administrative or agency approval and make any filing or registration therewith which at the time shall be required with respect to the performance of its obligations under this Agreement or the operation of its business; and (iv) pay all fees, taxes, assessments and governmental charges or levies imposed upon any of the Equipment.

5.2a Operating Rules and Regulations. Debtor agrees to comply with all local, state and Federal governmental laws, regulations and requirements relating to the operation and/or use of the Equipment, including the Interchange Rules and all other rules of the Association of American Railroads ("AAR") (or any successor thereto) and the Interstate Commerce Commission. In case any equipment or appliance on any Equipment shall be required to be changed or replaced, or any additional or other equipment or appliance is required to be installed on such equipment in order to comply with such laws, regulations, requirements and rules, Debtor agrees to make such changes, additions and replacements at its own expense.

5.3 Inspection. PBCC or its authorized representative may at any reasonable time or times inspect the Equipment and, following the occurrence and during the continuation of an Event of Default, may at any reasonable time or times inspect the books and records of Debtor.

5.4 Financial Information. Debtor will furnish to PBCC (a) as soon as available, but in any event not later than 120 days after the end of each fiscal year of Debtor, a consolidated balance sheet of Debtor as at the end of such fiscal year, and consolidated statements of income and changes in financial position of Debtor for such fiscal year, all in reasonable detail, prepared in accordance with generally accepted accounting principles applied on a basis consistently maintained throughout the period involved and audited by certified public accountants acceptable to PBCC; (b) as soon as available, but in any event not later than 90 days after the end of each of the first three quarterly periods of each fiscal year of Debtor, a consolidated balance sheet of Debtor as at the end of such quarterly period and a consolidated statement of income of Debtor for such quarterly period and for the portion of the fiscal year then ended, all in reasonable detail, prepared in accordance with generally accepted accounting principles applied on a basis consistently maintained throughout the period involved and certified by the chief financial officer of Debtor; and (c) promptly, such additional financial and other information as PBCC may from time to time reasonably request.

5.5 Further Assurances. Debtor will promptly, at any time and from time to time, at its sole expense, execute and deliver to PBCC

such further instruments and documents, and take such further action, as PBCC may from time to time reasonably request in order to further carry out the intent and purpose of this Agreement and to establish and protect the rights, interests and remedies created, or intended to be created, in favor of PBCC hereby, including, without limitation, the execution, delivery, recordation and filing of financing statements and continuation statements. Debtor hereby authorizes PBCC, in such jurisdictions where such action is authorized by law, to effect any such recordation or filing of financing statements without the signature of Debtor thereto. A carbon, photographic or other reproduction of this Agreement or any financing statement related hereto shall be sufficient for filing under the Uniform Commercial Code. Debtor will pay, or reimburse PBCC for, any and all fees, costs and expenses of whatever kind or nature incurred in connection with the creation, preservation and protection of PBCC's security interest in the Equipment, including, without limitation, all fees and taxes in connection with the recording or filing of instruments and documents in public offices, payments or discharge of any taxes or Liens upon or in respect of the Equipment, premiums for insurance with respect to the Equipment and all other fees, costs and expenses in connection with protecting, maintaining or preserving the Equipment and PBCC's interests therein, whether through judicial proceedings or otherwise, or in connection with defending or prosecuting any actions, suits or proceedings arising out of or related to the Equipment; and all such amounts that are paid by PBCC shall, until reimbursed by Debtor, constitute Obligations of Debtor secured by the Collateral. PBCC, at Debtor's expense, will cause this Agreement to be filed in accordance with 49 U.S.C Section 11303(a) with the Interstate Commerce Commission.

5.6 No Disposition of Collateral. Debtor will not sell, convey, transfer, exchange, lease or otherwise relinquish possession or dispose of any of the Collateral or attempt or offer to do any of the foregoing.

5.7 No Liens. Debtor will not create, assume or suffer to exist any Lien of any kind upon the Collateral except for the security interest created hereby.

5.8 Debtor's Title; PBCC's Security Interest; Personal Property. Debtor will warrant and defend its good and marketable title to the Equipment, and PBCC's perfected first priority security interest in the Collateral, against all claims and demands whatsoever. Debtor agrees that the Equipment shall be and at all times remain separately identifiable personal property. Debtor shall, at its expense, take such action (including the obtaining and recording of waivers) as may be necessary to prevent any third party from acquiring any right to or interest in the Equipment by virtue of the Equipment being deemed to be real property or a part of real property or a part of other personal property, and if at any time any person shall claim any such right or interest, Debtor shall, at its expense, cause such claim to be waived in writing or otherwise eliminated to PBCC's satisfaction within 30 days after such claim shall have first become known to Debtor.

5.9 No Changes in Debtor. Debtor will not (a) enter into any transaction of merger or consolidation or any commitment with respect thereto; or (b) liquidate or dissolve; or (c) sell, transfer or otherwise dispose of all or any substantial part of its assets or permit any substantial change in the ownership or control of its capital stock; or (d) change the form of organization of its business; or (e) without thirty (30) days prior written notice to PBCC, change its name or its chief place of business.

5.10 Use of Equipment; Maintenance; Identification.

(a) Debtor will use the Equipment in a careful and proper manner, will use the Equipment only for its intended purpose and will not in any way overload or otherwise misuse the Equipment. In no event, will Debtor use the Equipment to haul or store any hazardous, toxic, or explosive substances as such terms are defined by applicable local, state, or federal laws, rules and regulations.

(b) Debtor will, at its own expense, keep and maintain the Equipment in good repair, condition and working order and furnish all parts, replacements, mechanisms, devices and servicing required therefor so that the value, condition and operating efficiency thereof will at all times be maintained and preserved, fair wear and tear excepted. All such repairs, parts, mechanisms, devices and replacements shall immediately, without further act, become part of the Equipment and subject to the security interest created by this Agreement. Debtor will not make or authorize any improvement, change, addition or alteration to the Equipment if such improvement, change, addition or alteration will impair the originally intended function or use of the Equipment or impair the value of the Equipment as it existed immediately prior to such improvement, change, addition or alteration. Any part added to the Equipment in connection with any improvement, change, addition or alteration shall immediately, without further act, become part of the Equipment and subject to the security interest created by this Agreement.

(c) In any event, the Equipment shall at all times satisfy the tests described below.

i. All damaged or broken parts will be repaired according to AAR specifications;

ii. Exterior sides will be free of rust and corrosion, except for minor surface rust, and will be painted according to a standard paint scheme, free of any and all advertising and notices other than receiving numbers and Debtor's corporate identification, all evidence of which shall be removed upon any return of the Equipment to PBCC.

iii. The Equipment will conform to United States Department of Transportation regulations or those of any other government agency having jurisdiction over the use and operation of the Equipment;

iv. The Equipment will be returned with undercarriage systems, including any related tracks and rollers of a type, size and quality standard which are in accordance with original manufacturing specifications, and the Equipment will be in good repair and operating condition;

With respect to Equipment returned hereunder, Debtor shall at Debtor's expense, provide written evidence from a mutually acceptable independent party that the Equipment returned meets the specifications above.

Any deficiencies determined by such inspection shall be repaired at the Debtor's expense.

(d) If requested by PBCC in writing, Debtor shall, at its expense, attach to each item of Equipment a notice satisfactory to PBCC disclosing PBCC's security interest in such item of Equipment.

5.11 Insurance.

Debtor shall obtain and maintain at all times on the Collateral, at its expense, "All-Risk" physical damage and if required by PBCC, liability (including bodily injury and property damage) insurance in such amounts, against such risks, in such form and with such insurers as shall be satisfactory to PBCC; provided, however, that the amount of physical damage insurance shall not be less than the greater of the full replacement value of the Collateral or 100% of the then aggregate outstanding principal amount of the Notes. All physical damage insurance policies shall be made payable to PBCC as its interest may appear; if liability insurance is required by PBCC, the liability insurance policies shall name PBCC as additional insured. All such insurance policies will be in form, amount and substance acceptable to PBCC. Debtor shall assign and deliver the policies of insurance or certificates thereof to PBCC prior to policy expiration or upon PBCC's request but PBCC shall bear no duty or liability to ascertain the existence or adequacy of such insurance. Each insurance policy shall, among other things, require that the insurer give PBCC at least 30 days' prior written notice of any alteration in the terms of such policy or of the cancellation thereof and that the interests of PBCC be continued insured regardless of any breach of or violation by Debtor of any warranties, declarations or conditions contained in such insurance policy. The insurance maintained by the Debtor shall be primary with no other insurance maintained by PBCC (if any) contributory.

SECTION 6. SECURITY INTEREST.

6.1 Grant of Security Interest. As collateral security for the prompt and complete payment and performance when due of all the Obligations and in order to induce PBCC to enter into this Agreement and make the Loans in accordance with the terms hereof and to extend

other credit from time to time to Debtor, whether under this Agreement or otherwise, Debtor hereby assigns, conveys, mortgages, pledges, hypothecates and transfers to PBCC, and hereby grants to PBCC a first priority security interest in, all Debtor's right, title and interest in, to and under the Collateral.

6.2 PBCC Appointed as Attorney-in-Fact.

(a) Debtor hereby irrevocably constitutes and appoints PBCC and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Debtor and in the name of Debtor or in its own name, from time to time in PBCC's discretion, for the purpose of carrying out the terms of this Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Agreement. Debtor hereby ratifies all that said attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable.

(b) The powers conferred on PBCC hereunder are solely to protect its interest in the Collateral and shall not impose any duty upon it to exercise any such powers. PBCC shall be accountable only for amounts that it actually receives as a result of the exercise of such powers and neither it nor any of its officers, directors, employees or agents shall be responsible to Debtor for any act or failure to act.

SECTION 7. EVENTS OF DEFAULT.

The following events shall each constitute an event of default (herein called "Event of Default") under this Agreement:

(a) Debtor shall fail to pay any Obligation within 10 days after the same becomes due (whether at the stated maturity, by acceleration or otherwise); or

(b) Any representation or warranty made by Debtor in this Agreement or in connection with any Loan, or in any document, certificate or financial or other statement now or hereafter furnished by Debtor in connection with this Agreement shall at any time prove to be untrue or misleading in any material respect as of the time when made; or

(c) Debtor shall fail to observe any covenant, condition or agreement contained in Sections 5.2, 5.2a, 5.6, 5.9, 5.10(a) or 5.11 hereof; or

(d) Debtor shall fail to observe or perform any other covenant, condition or agreement contained in this Agreement, and such failure shall continue unremedied for a period of 30 days after the earlier of
(i) the date on which Debtor obtains knowledge of such failure; or
(ii) the date on which notice thereof shall be given by PBCC to Debtor; or

(e) Debtor shall (i) default in the payment of any obligation for borrowed money, under any lease (whether or not capitalized), or for the deferred purchase price of property including interest thereon, beyond the period of grace, if any, provided with respect thereto, or (ii) default in the performance or observance of any other term, condition or agreement contained in any such obligation or in any agreement relating thereto, if the effect of such default is to cause, or permit the holder or holders of such obligation (or a trustee on behalf of such holder or holders) to cause such obligation to become due prior to its stated maturity or to realize upon any collateral given as security therefor; or

(f) The institution by Debtor of proceedings to be adjudicated a bankrupt or insolvent, or the consent by it to the institution of bankruptcy or insolvency proceedings against it, or the commencement by Debtor of a voluntary proceeding or case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or the consent by it to the filing of any such petition or to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian or sequestrator (or other similar official) of Debtor or of any substantial part of its property, or the making by it of any assignment for the benefit of creditors or the admission by it of its inability to pay its debts generally as they become due or its willingness to be adjudicated a bankrupt or the failure of Debtor generally to pay its debts as they become due or the taking of corporate action by Debtor in furtherance of any of the foregoing; or

(g) The entry of a decree or order for relief by a court having jurisdiction in respect of Debtor adjudging Debtor a bankrupt or insolvent, or approving as properly filed a petition seeking a reorganization, arrangement, adjustment or composition of or in respect of Debtor in an involuntary proceeding or case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or appointing a receiver, liquidator, or assignee, custodian, trustee or sequestrator (or similar official) of Debtor or of any substantial part of its property, or ordering the winding-up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of 30 days.

SECTION 8. REMEDIES.

8.1 If an Event of Default specified in subsections 7(f) or (g) above shall occur, then, and in any such event, the Commitment shall immediately terminate and the principal amount of each Note, together with accrued interest thereon and all other amounts owing under or with respect to this Agreement shall become immediately due and payable without any notice or other action by PBCC, and if any other Event of Default shall occur and be continuing, then, and in any such event, PBCC may, by notice of default given to Debtor, (a) terminate

forthwith the Commitment and/or (b) declare the Notes and all other amounts owing under or with respect to this Agreement to be forthwith due and payable, whereupon the principal amount of the Notes, together with accrued interest thereon and all other amounts owing under or with respect to this Agreement shall become immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived. During the continuance of any Event of Default hereunder, PBCC shall have the right to pursue and enforce any of its rights and remedies under this Section 8, Subsection 8.2 through 8.5, inclusive, hereof.

8.2 If an Event of Default shall occur and be continuing, PBCC may in addition to all other rights and remedies granted to it in this Agreement and in any other instrument or agreement securing, evidencing or relating to the Obligations take possession of the Equipment. Should PBCC elect to take possession of the Equipment, Debtor shall deliver possession of such Equipment to Lessor and shall give prompt telegraphic and written notice to the Association of American Railroads and all railroads having possession of any Equipment so to return such Equipment. For the purpose of delivering possession of any Equipment to PBCC as required above, Debtor will, at its own expense and risk: (i) forthwith and in a normal and proper manner cause such Equipment to be transported to the storage tracks of Debtor as PBCC may select, and there assembled; (ii) furnish or arrange for the storage of such Equipment on Debtor's storage tracks until such Equipment has been sold, leased or otherwise disposed of by PBCC, such period not to exceed ninety (90) days; and (iii) cause such Equipment to be transported to such interchange point or points as shall be designated by PBCC upon any sale, lease or other disposition of all or any of such Equipment. All movement to and storage of each piece of Equipment at Debtor's storage track is to be at the risk and expense of Debtor.

If an Event of Default shall occur and be continuing, PBCC may exercise in addition to all other rights and remedies granted to it in this Agreement and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of secured parties under the Code or under any other applicable law. Without limiting the generality of the foregoing, Debtor agrees that in any such event, PBCC, without demand of performance or other demand, advertisement or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon Debtor or any other (all and each of which demands, advertisements and/or notices are hereby expressly waived), may forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give option or options to purchase or otherwise dispose of and deliver the Collateral (or contract to do so), or any part thereof, in one or more parcels at public or private sale or sales, at any exchange or broker's board or at any of PBCC's offices or elsewhere at such prices as it may deem best, for cash or on credit or for future

delivery without assumption of any credit risk. PBCC shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in Debtor, which right or equity is hereby expressly released. Debtor further agrees, at PBCC's request, to assemble the Collateral, make it available to PBCC at places which PBCC shall reasonably select, whether at Debtor's premises or elsewhere.

PBCC shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale (after deducting all reasonable costs and expenses of every kind incurred therein or incidental to the care, safekeeping or otherwise of any or all of the Collateral or in any way relating to the rights of PBCC hereunder, including attorneys' fees and legal expenses) to the payment in whole or in part of the Obligations, in such order as PBCC may elect and only after so applying such net proceeds and after the payment by PBCC of any other amount required by any provision of law, need PBCC account for the surplus, if any, to Debtor. To the extent permitted by applicable law, Debtor waives all claims, damages, and demands against PBCC arising out of the repossession, retention or sale of the Collateral. Debtor agrees that PBCC need not give more than 10 days notice (which notification shall be deemed given when mailed, postage prepaid, addressed to Debtor at its address set forth in Section 9.2 hereof) of the time and place of any public sale or of the time after which a private sale may take place and that such notice is reasonable notification of such matters. Debtor shall be liable for any deficiency if the proceeds of any sale or disposition of the Collateral are insufficient to pay all amounts to which PBCC is entitled.

8.3 Debtor agrees to pay all costs of PBCC, including attorneys' fees, incurred with respect to the collection of any of the Obligations and the enforcement of any of its respective rights hereunder.

8.4 Debtor hereby waives presentment, demand, protest or any notice, except as hereinabove provided in Section 8 (to the extent permitted by applicable law) of any kind in connection with this Agreement or any Collateral.

8.5 At the time of the acceleration of any Note pursuant to this Section 8, there shall be due and payable, in addition to the unpaid principal amount of such Note and all interest accrued thereon and all other amounts set forth herein, without notice or demand of any kind, as liquidated damages for loss of a bargain and not as a penalty, a lost transaction fee equal to the full outstanding principal amount of the Note multiplied by the Section 8 Prepayment Percentage.

SECTION 9. MISCELLANEOUS.

9.1 No Waiver; Cumulative Remedies. No failure or delay on the part of PBCC in exercising any right, remedy, power or privilege hereunder or under any Note shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. No right or remedy in this Agreement is intended to be exclusive but each shall be cumulative and in addition to any other remedy referred to herein or otherwise available to PBCC at law or in equity; and the exercise by PBCC of any one or more of such remedies shall not preclude the simultaneous or later exercise by PBCC of any or all such other remedies. To the extent permitted by law, Debtor waives any rights now or hereafter conferred by statute or otherwise which limit or modify any of PBCC's rights or remedies under this Agreement.

9.2 Notices. All notices, requests and demands to or upon any party hereto shall be deemed to have been duly given or made when deposited in the United States mail, first class postage prepaid, addressed to such party as follows, or to such other address as may be hereafter designated in writing by such party to the other party hereto:

DEBTOR: Illinois Central Railroad Company
233 North Michigan Avenue
Chicago, Illinois 60601

PBCC: Pitney Bowes Credit Corporation
201 Merritt Seven
Norwalk, Connecticut 06856
Attention: Vice President - Operations

WITH A
COPY TO: Pitney Bowes Credit Corporation
6133 North River Road, Suite 780
Rosemont, Illinois 60018
Attention: Region Credit Manager

9.3 Payment of Expenses and Taxes; Indemnity; Performance by PBCC of Debtor's Obligations.

(a) Debtor agrees, whether or not the transactions contemplated by this Agreement shall be consummated, to pay (i) all costs and expenses of PBCC in connection with the negotiation, preparation, execution and delivery of this Agreement, and the other documents relating hereto, including, without limitation, the reasonable fees

and disbursements of counsel to PBCC; (ii) all fees and taxes in connection with the recording of this Agreement or any other document or instrument required hereby; and (iii) all costs and expenses of PBCC in connection with the enforcement of this Agreement and the Notes, including all legal fees and disbursements arising in connection therewith. Debtor also agrees to pay, and to indemnify and save PBCC harmless from any delay in paying, all taxes, including without limitation, sales, use, stamp and personal property taxes (other than any corporate income, capital, franchise or similar taxes payable by PBCC with respect to the payments made to PBCC hereunder or thereunder) and all license, filing, and registration fees and assessments and other charges, if any, which may be payable or determined to be payable in connection with the execution, delivery and performance of this Agreement or the Notes or any modification thereof.

(b) Debtor hereby further agrees, whether or not the transactions contemplated by this Agreement shall be consummated to pay, indemnify, and hold PBCC harmless from and against any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, out-of-pocket costs, expenses or disbursements of any kind or nature whatsoever arising with respect to or in connection with the execution, delivery, enforcement, performance or administration of this Agreement and the Notes (the foregoing being referred to as the "indemnified liabilities"), provided, that Debtor shall have no obligation hereunder with respect to indemnified liabilities arising from the gross negligence or wilful misconduct of PBCC.

(c) If Debtor fails to perform or comply with any of its agreements contained herein and PBCC shall itself perform or comply, or otherwise cause performance or compliance, with such agreement, the expenses of PBCC incurred in connection with such performance or compliance, together with interest thereon at the Late Charge Rate shall be payable by Debtor to PBCC on demand and until such payment shall constitute Obligations secured hereby.

9.4 Survival of Representations and Warranties. All representations and warranties made in this Agreement and any certificates delivered pursuant hereto or thereto shall survive the execution and delivery of this Agreement and the making of the Loans hereunder, and the agreements contained in Section 9.3 hereof shall survive payment of the Notes.

9.5 Amendments; Waivers. No provision of this Agreement, the Notes, or any related agreements, may be amended or modified in any way, nor may noncompliance therewith be waived, except pursuant to a written instrument executed by PBCC and Debtor. In the case of any waiver, PBCC and Debtor shall be restored to their former position and rights hereunder, under the outstanding Notes, and under any related agreements, and any Default or Event of Default waived shall be deemed to be cured and not continuing, but no such waiver shall in any way be, or be construed to be, a waiver of any other or subsequent Default or Event of Default, or impair any right consequent thereon.

9.6 Counterparts. This Agreement may be executed by the parties hereto on any number of separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

9.7 Headings. The headings of the Sections and paragraphs are for convenience only, are not part of this Agreement and shall not be deemed to effect the meaning or construction of any of the provisions hereof.

9.8 Successors or Assigns. This Agreement shall be binding upon and inure to the benefit of Debtor and PBCC and their respective successors and assigns, except that Debtor may not assign or transfer its rights hereunder or any interest herein without the prior written consent of PBCC.

9.9 Merger Clause. This Agreement contains the full, final and exclusive statement of the agreement between PBCC and Debtor relating to the transactions hereby contemplated.

9.10 Construction. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by law, Debtor hereby waives any provision of law which renders any provision hereof prohibited or unenforceable in any respect. This Agreement and the Note shall be governed by, and construed and interpreted in accordance with, the laws of the State of New York.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

Illinois Central Railroad Company

By: Dale W. Phillips

Title: VP & CFO

Pitney Bowes Credit Corporation

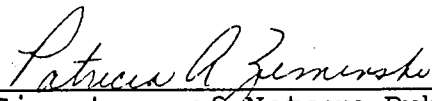
By: B D Sjo

Title: RVP

CORPORATE FORM OF ACKNOWLEDGEMENT

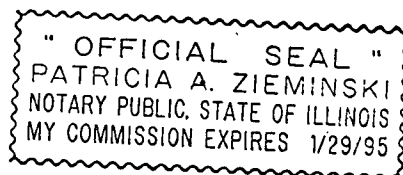
State of Illinois)
) SS:
County of Cook)

On this 30th day of September, 1991, before me personally appeared Dale W. Phillips, to me personally known, who being by me duly sworn, say that he is the Vice President and Chief Financial Officer of Illinois Central Railroad Company, that said instrument was signed on behalf of said corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Signature of Notary Public

My commission expires 1/29/95



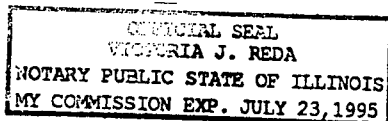
CORPORATE FORM OF ACKNOWLEDGEMENT

State of Illinois)
) SS:
County of Cook)

On this 30th day of September 1991, before me personally appeared Brian D. Shapiro, to me personally known, who being by me duly sworn, say that he is the Region Vice President of Pitney Bowes Credit Corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Victoria J. Reda
Signature of Notary Public

My commission expires July 23, 1995

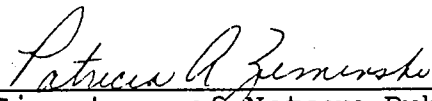


Seal

CORPORATE FORM OF ACKNOWLEDGEMENT

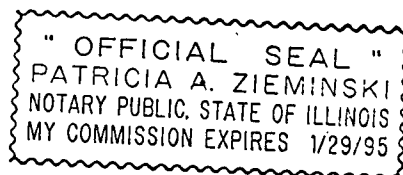
State of Illinois)
) SS:
County of Cook)

On this 30th day of September, 1991, before me personally appeared Dale W. Phillips, to me personally known, who being by me duly sworn, say that he is the Vice President and Chief Financial Officer of Illinois Central Railroad Company, that said instrument was signed on behalf of said corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Signature of Notary Public

My commission expires 1/29/95



SCHEDULE A

<u>Qty.</u>	<u>Model/Mfgs.</u>	<u>Description</u>	<u>Serial No.</u>	<u>Cost Per Unit</u>
7	IOG	100-ton 4750 cubic foot capacity covered hopper freight cars	IOG 767193 IOG 767194 IOG 767195 IOG 767196 IOG 767197 IOG 767198 IOG 767199	\$20,800.00
192	IOG	70-ton 5791 cubic foot capacity woodchip hopper freight cars	IOG 867400 IOG 867401 IOG 867402 IOG 867403 IOG 867404 IOG 867405 IOG 867406 IOG 867407 IOG 867408 IOG 867409 IOG 867410 IOG 867411 IOG 867412 IOG 867413 IOG 867414 IOG 867415 IOG 867417 IOG 867418 IOG 867419 IOG 867420 IOG 867421 IOG 867422 IOG 867423 IOG 867424 IOG 867425 IOG 867426 IOG 867427 IOG 867428 IOG 867429 IOG 867430 IOG 867431 IOG 867432 IOG 867433 IOG 867434 IOG 867436 IOG 867437	\$14,800.00

Serial numbers continued on page 2

SCHEDULE A

Page 2

<u>Qty.</u>	<u>Model/Mfgs.</u>	<u>Description</u>	<u>Serial No.</u>	<u>Cost Per Unit</u>
			ICG 867438	
			ICG 867439	
			ICG 867440	
			ICG 867441	
			ICG 867442	
			ICG 867443	
			ICG 867444	
			ICG 867445	
			ICG 867446	
			ICG 867447	
			ICG 867448	
			ICG 867449	
			ICG 867450	
			ICG 867451	
			ICG 867452	
			ICG 867453	
			ICG 867454	
			ICG 867455	
			ICG 867456	
			ICG 867458	
			ICG 867459	
			ICG 867460	
			ICG 867461	
			ICG 867462	
			ICG 867463	
			ICG 867464	
			ICG 867465	
			ICG 867466	
			ICG 867467	
			ICG 867468	
			ICG 867469	
			ICG 867470	
			ICG 867471	
			ICG 867472	
			ICG 867473	
			ICG 867474	
			ICG 867475	
			ICG 867476	
			ICG 867477	
			ICG 867478	
			ICG 867479	
			ICG 867480	
			ICG 867481	
			ICG 867482	
			ICG 867484	
			ICG 867485	
			ICG 867486	

Serial numbers continued on page 3

SCHEDULE A

Page 3

<u>Qty.</u>	<u>Model/Mfgs.</u>	<u>Description</u>	<u>Serial No.</u>	<u>Cost Per Unit</u>
			ICG 867487	
			ICG 867488	
			ICG 867489	
			ICG 867490	
			ICG 867491	
			ICG 867492	
			ICG 867493	
			ICG 867494	
			ICG 867495	
			ICG 867496	
			ICG 867497	
			ICG 867498	
			ICG 867500	
			ICG 867501	
			ICG 867502	
			ICG 867503	
			ICG 867504	
			ICG 867505	
			ICG 867506	
			ICG 867507	
			ICG 867508	
			ICG 867510	
			ICG 867511	
			ICG 867512	
			ICG 867513	
			ICG 867514	
			ICG 867515	
			ICG 867517	
			ICG 867518	
			ICG 867519	
			ICG 867520	
			ICG 867521	
			ICG 867522	
			ICG 867523	
			ICG 867524	
			ICG 867525	
			ICG 867526	
			ICG 867527	
			ICG 867528	
			ICG 867529	
			ICG 867530	
			ICG 867531	
			ICG 867532	
			ICG 867533	
			ICG 867534	
			ICG 867535	
			ICG 867536	

Serial numbers continued on page 4

SCHEDULE A

Page 4

<u>Qty.</u>	<u>Model/Mfgs.</u>	<u>Description</u>	<u>Serial No.</u>	<u>Cost Per Unit</u>
			IOG 867537	
			IOG 867538	
			IOG 867539	
			IOG 867540	
			IOG 867541	
			IOG 867542	
			IOG 867543	
			IOG 867544	
			IOG 867545	
			IOG 867546	
			IOG 867547	
			IOG 867548	
			IOG 867549	
			IOG 867550	
			IOG 867551	
			IOG 867552	
			IOG 867553	
			IOG 867554	
			IOG 867555	
			IOG 867556	
			IOG 867557	
			IOG 867558	
			IOG 867559	
			IOG 867560	
			IOG 867561	
			IOG 867562	
			IOG 867563	
			IOG 867564	
			IOG 867565	
			IOG 867567	
			IOG 867568	
			IOG 867569	
			IOG 867570	
			IOG 867571	
			IOG 867572	
			IOG 867573	
			IOG 867574	
			IOG 867575	
			IOG 867576	
			IOG 867577	
			IOG 867578	
			IOG 867579	
			IOG 867580	
			IOG 867581	
			IOG 867582	
			IOG 867583	
			IOG 867584	

Serial numbers continued on page 5

SCHEDULE A

Page 5

<u>Qty.</u>	<u>Model/Mfgs.</u>	<u>Description</u>	<u>Serial No.</u>	<u>Cost Per Unit</u>
			IOG 867585	
			IOG 867586	
			IOG 867587	
			IOG 867588	
			IOG 867589	
			IOG 867590	
			IOG 867591	
			IOG 867592	
			IOG 867593	
			IOG 867594	
			IOG 867595	
			IOG 867596	
			IOG 867597	
			IOG 867598	
			IOG 867599	